

GENERAL & STREET FUND OPERATIONS

The overall operations of the combined General and Street Fund showed a positive result of \$1.4M. Overall revenue total \$42.1M and is \$537K above 2012 annual budget of \$41.6M.

GENERAL & STREET FUND Summary of Sources & Uses	2011		2012		ANN BUDGET VS ACTUAL	
	Annual Budget	Annual Actual	Annual Budget	YTD Actual	Favorable/(Unfavorable)	
					\$	%
Beginning Fund Balance	\$ 8,538,116	\$ 8,538,117	\$12,743,855	\$12,743,855	n/a	n/a
OPERATING REVENUES						
Property Taxes	9,697,000	9,672,887	9,825,000	9,978,143	153,143	1.6%
Sales Tax	10,684,000	10,858,386	10,586,000	10,534,147	(51,853)	-0.5%
Criminal Justice Sales Tax	1,710,000	1,795,972	1,719,000	1,864,991	145,991	8.5%
Intergovernmental	2,425,000	2,399,140	2,269,000	2,456,913	187,913	8.3%
Leasehold Tax	6,000	6,259	6,000	5,820	(180)	-3.0%
Gambling Taxes	462,000	511,005	168,000	114,443	(53,557)	-31.9%
Court Revenue	1,513,585	1,496,060	1,530,818	1,445,294	(85,522)	-5.6%
Building Permits/Fees - CED	1,091,815	1,100,689	1,105,147	1,571,606	466,459	42.2%
ROW Permits & Develop. Svcs Fees - PW	323,430	362,983	316,895	314,830	(2,065)	-0.7%
Licenses	252,000	253,992	252,000	251,664	(336)	-0.1%
Franchise Fees	981,000	988,948	981,000	1,004,026	23,026	2.3%
Passport Agency Fees	69,000	44,495	70,000	56,825	(13,175)	-18.8%
Park & General Recreation Fees	870,811	956,607	960,171	942,005	(18,166)	-1.9%
Police Services	874,690	959,570	930,000	952,993	22,993	2.5%
Admin/Cash Management Fees	493,117	493,117	515,598	515,602	4	0.0%
Interest Earnings	34,000	20,505	34,000	19,206	(14,794)	-43.5%
Misc/Other	254,060	341,932	267,520	322,177	54,657	20.4%
<u>Ongoing Utility tax Transfers in:</u>						
Celebration Park/Park M&O	274,000	274,000	276,000	276,000	-	0.0%
Arts Comm/RW&B Festival	97,000	97,000	97,000	97,000	-	0.0%
Police Positions/Jail	1,432,000	1,432,000	1,541,000	1,541,000	-	0.0%
Street Bond/Lights	371,000	371,000	373,000	373,000	-	0.0%
General Fund Operations	3,919,000	3,919,000	3,940,000	3,940,000	-	0.0%
Prop 1 Voter Package	2,933,509	2,769,553	2,980,187	2,702,868	(277,319)	-9.3%
<u>Ongoing Traffic Safety Transfers in:</u>						
Court/Police/Traffic	830,000	830,000	830,000	830,000	-	0.0%
Total Operating Revenues	41,598,017	41,955,100	41,573,336	42,110,555	537,219	1.3%
OPERATING EXPENDITURES						
City Council	490,437	462,007	379,499	360,461	19,038	5.0%
Mayor's Office	1,489,426	1,180,787	1,169,147	990,383	178,764	15.3%
Human Services	730,669	690,824	862,735	758,311	104,424	12.1%
Municipal Court	1,554,543	1,431,099	1,607,112	1,421,727	185,385	11.5%
Economic Development	222,999	115,858	239,884	155,165	84,719	35.3%
Human Resources	972,070	780,418	854,773	666,348	188,426	22.0%
Finance	935,857	889,806	896,215	833,419	62,796	7.0%
Civil/Criminal Legal Services	1,536,897	1,340,746	1,631,094	1,369,469	261,626	16.0%
Community Development Services	2,706,311	2,284,193	2,483,858	2,133,022	350,835	14.1%
Jail Services	4,166,359	4,304,215	2,937,000	2,471,532	465,468	15.8%
Police Services	22,531,740	21,646,881	22,424,601	21,801,343	623,258	2.8%
Parks & Recreation	3,855,551	3,614,643	4,032,614	3,684,940	347,673	8.6%
Public Works	4,709,342	4,110,014	5,056,814	4,098,760	958,054	18.9%
Total Operating Expenditures	45,902,202	42,851,492	44,575,346	40,744,880	3,830,466	8.6%
Operating Revenues over/(under) Operating Expenditures	(4,304,185)	(896,392)	(3,002,010)	1,365,676	4,367,686	-145.5%
OTHER FINANCING SOURCES						
One-Time Transfers In/Grants/Other	5,617,939	5,472,181	1,215,536	1,167,899	(47,637)	-3.9%
Total Other Financing Sources	5,617,939	5,472,181	1,215,536	1,167,899	(47,637)	-3.9%
OTHER FINANCING USES						
Contingency Reserve Funds	-	-	1,111,698	-	(1,111,698)	-100.0%
One-Time Transfers Out/Other/Unalloc IS	945,000	370,046	1,188,216	242,629	(945,587)	-79.6%
Total Other Financing Uses	945,000	370,046	2,299,914	242,629	(2,057,285)	-89.5%
Total Ending Fund Balance	\$ 8,906,870	\$12,743,860	\$ 8,657,467	\$15,034,800	n/a	n/a

DESIGNATED OPERATING FUNDS

Designated operating funds revenue total \$26.6M and is \$2.7M above annual budget of \$23.9M. Expenditures of \$22.6M is \$1.5M below 2012 annual budget of \$24.1M.

DESIGNATED OPERATING FUNDS Summary of Sources & Uses	2011		2012		ANN BUDGET VS ACTUAL Favorable/(Unfavorable)	
	Annual Budget	Annual Actual	Annual Budget	Annual Actual	\$	%
Beginning Fund Balance	\$12,173,613	\$12,173,616	\$12,965,264	\$12,965,272	n/a	n/a
OPERATING REVENUES						
Intergovernmental	508,000	497,726	508,000	493,586	(14,414)	-2.8%
Utility Tax	9,915,968	10,117,556	9,615,484	10,140,800	525,316	5.5%
Utility Tax - Prop 1 Voter Package	2,900,032	2,950,954	2,804,516	2,942,379	137,863	4.9%
Hotel/Motel Lodging Tax	155,000	185,290	193,440	193,344	(96)	0.0%
Real Estate Excise Tax	1,400,000	1,560,394	1,400,000	1,507,313	107,313	7.7%
Federal Way Community Center - Operations	1,555,422	1,628,135	1,558,622	1,738,039	179,417	11.5%
Red Light Photo Enforcement Program	830,000	945,606	830,000	2,256,636	1,426,636	171.9%
Property Tax - King County Expansion Levy	153,000	159,015	155,000	160,611	5,611	3.6%
Dumas Bay Centre Fund	581,318	562,023	587,732	587,506	(226)	0.0%
Surface Water Management Fees	3,164,969	3,416,140	3,164,969	3,544,656	379,687	12.0%
Refuse Collection Fees	275,366	297,130	278,120	282,584	4,464	1.6%
Interest Earnings	30,000	11,338	30,000	11,193	(18,807)	-62.7%
Miscellaneous/Other	29,036	28,060	28,036	30,452	2,416	8.6%
<u>Ongoing Utax Transfers in:</u>						
Dumas Bay Centre Fund	113,000	113,000	113,000	113,000	-	0.0%
FWCC Operations/Reserves	696,000	696,000	706,000	706,000	-	0.0%
FWCC Debt Service	915,000	915,000	915,000	913,892	(1,108)	-0.1%
Arterial Streets Overlay	1,011,000	1,011,000	1,021,000	1,021,000	-	0.0%
Total Operating Revenues	24,233,111	25,094,367	23,908,919	26,642,991	2,734,072	11.4%
OPERATING EXPENDITURES						
City Overlay Program	2,394,874	2,236,228	1,993,204	1,937,144	56,060	2.8%
Utility Tax Admin/Cash Mgmt Fees	48,000	48,000	49,000	49,000	0	0.0%
Solid Waste	430,118	427,315	456,441	409,042	47,400	10.4%
Hotel/Motel Lodging Tax	372,500	187,686	409,923	304,490	105,433	25.7%
Federal Way Community Center - Operations	2,142,839	2,130,726	2,146,355	2,112,597	33,757	1.6%
Traffic Safety (Red Light Photo)	50,000	18,050	26,754	9,386	17,368	64.9%
Debt Service (Debt Payment & Admin Fee)	1,162,726	1,072,092	1,157,669	1,083,332	74,337	6.4%
Surface Water Management	3,459,487	3,092,891	3,521,518	2,764,655	756,863	21.5%
Dumas Bay Centre Fund	758,701	720,674	829,566	690,639	138,926	16.7%
<u>Ongoing Utility Tax Transfers out:</u>						
FWCC Operations/Reserves	696,000	696,000	706,000	706,001	1	0.0%
FWCC Debt Service	915,000	915,000	915,000	913,892	(1,108)	-0.1%
Dumas Bay Centre Fund	113,000	113,000	113,000	113,000	-	0.0%
Arterial Streets Overlay	1,011,000	1,011,000	1,021,000	1,021,000	-	0.0%
Transportation Capital	791,000	791,000	696,000	696,000	-	0.0%
General/Street Fund Operations	6,093,000	6,093,000	6,227,000	6,227,000	-	0.0%
General Fund Prop 1 Voter Package	2,933,508	2,769,553	2,980,187	2,702,868	(277,319)	-9.3%
<u>Ongoing Traffic Safety Transfers out:</u>						
Court/Police/Traffic	830,000	830,000	830,000	830,000	-	0.0%
Total Operating Expenditures	24,201,754	23,152,215	24,078,618	22,570,046	1,508,571	6.3%
Operating Revenues over/(under) Operating Expenditures	31,357	1,942,152	(169,699)	4,072,944	4,242,643	-2500.1%
OTHER FINANCING SOURCES						
One-Time Transfers In/Grants/Other	1,191,898	1,180,790	639,506	557,417	(82,089)	-12.8%
Total Other Financing Sources	1,191,898	1,180,790	639,506	557,417	(82,089)	-12.8%
OTHER FINANCING USES						
One-Time Transfers Out/Other/Unalloc IS	2,333,950	2,331,286	1,683,765	1,686,888	3,123	0.2%
Total Other Financing Uses	2,333,950	2,331,286	1,683,765	1,686,888	3,123	0.2%
ENDING FUND BALANCE						
Arterial Street	300,001	469,704	-	79,529	n/a	n/a
Utility Tax (non-Prop 1)	3,059,136	3,334,049	3,053,527	3,572,738	n/a	n/a
Utility Tax - Prop 1 Voter Package	697,535	836,819	661,148	1,080,948	n/a	n/a
Solid Waste & Recycling	126,804	153,980	150,394	172,002	n/a	n/a
Hotel/Motel Lodging Tax	2,157	213,484	-	102,416	n/a	n/a
Federal Way Community Center	880,452	967,942	987,444	1,197,494	n/a	n/a
Traffic Safety Fund	408,520	557,077	530,323	1,975,867	n/a	n/a
Paths & Trails	144,362	151,807	159,807	166,668	n/a	n/a
Debt Service Fund	3,626,699	3,866,184	4,013,514	4,182,345	n/a	n/a
Surface Water Management	1,734,651	2,312,897	2,195,153	3,240,038	n/a	n/a
Dumas Bay Centre Fund	82,598	101,330	(6)	138,697	n/a	n/a
Total Ending Fund Balance	\$11,062,911	\$12,965,272	\$11,751,304	\$15,908,742	n/a	n/a

Sales Tax

Compared to annual 2011 actual, sales tax revenues are down by \$324K or 3%. December sales tax collection of \$838K is \$102K or 10.8% below 2011's December sales tax of \$939K. Compared to annual 2012 budget, annual sales tax revenues are below by \$52K or less than 1%.

There is an overall increase in all areas with the exception of Services, Construction, Wholesaling, and Government.

LOCAL RETAIL SALES TAX REVENUES							
Annual 2012							
Month	2011 Actual	2012		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2011		2012 Actual vs Budget	
				\$	%	\$	%
Jan	\$ 818,614	831,802	896,190	77,576	9.5%	64,388	7.7%
Feb	1,153,192	1,163,241	1,022,314	(130,878)	-11.3%	(140,927)	-12.1%
Mar	751,420	777,655	792,916	41,496	5.5%	15,260	2.0%
Apr	805,675	796,086	742,615	(63,060)	-7.8%	(53,470)	-6.7%
May	949,316	920,102	877,492	(71,824)	-7.6%	(42,610)	-4.6%
Jun	847,896	799,365	811,359	(36,537)	-4.3%	11,994	1.5%
Jul*	850,327	831,791	856,071	5,745	0.7%	24,280	2.9%
Aug	964,978	954,767	916,840	(48,138)	-5.0%	(37,927)	-4.0%
Sep	927,080	915,256	917,952	(9,128)	-1.0%	2,696	0.3%
Oct	919,528	882,911	941,250	21,722	2.4%	58,338	6.6%
Nov	931,161	907,718	921,590	(9,571)	-1.0%	13,872	1.5%
Dec	939,194	805,304	837,557	(101,637)	-10.8%	32,253	4.0%
Annual Total	\$ 10,858,386	\$ 10,586,000	\$ 10,534,147	\$ (324,239)	-3.0%	\$ (51,853)	-0.5%

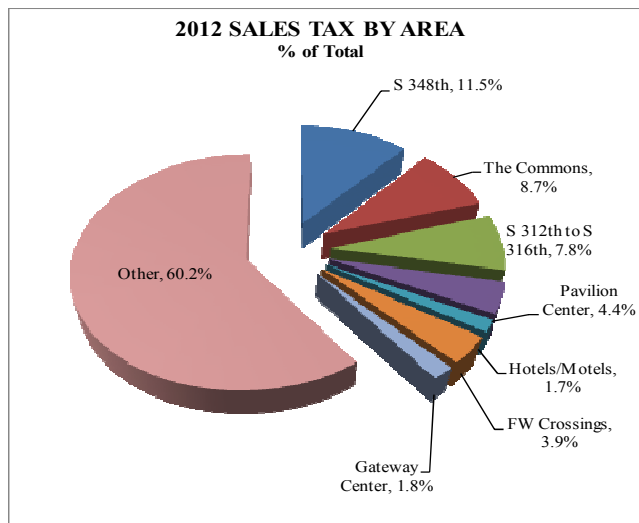
*July and November 2011 receipts were adjusted for Department of Revenue Error in over-remitting \$78K in July. These figures were adjusted for comparison purposes.

Sales Tax by SIC Group

Services decrease of \$71K is mainly due audit resulting in an additional \$26K in 2011 and refunding a hospital for taxes that was previously paid. Construction decrease of \$345K is due to overall decrease in construction activity compared to annual 2011. Government overall decrease of \$137K is mainly due to a one-time amnesty payments of \$86K and \$30K from audit received in 2011.

COMPARISON OF SALES TAX COLLECTIONS BY SIC GROUP						
Annual 2012						
Component Group	Component group are comprised of the following major categories:	2011 YTD	2012 YTD	Favorable/(unfavorable) Change from 2011		
				\$	%	
Retail Trade	General merchandise stores, motor vehicle & parks dealer, building material/garden, and misc. store retailers	\$ 5,558,892	\$ 5,739,670	\$ 180,778	3.3%	
Services	Food services/drinking places, professional, scientific, tech, and repair/maintenance	2,400,132	2,328,726	(71,406)	-3.0%	
Construct	Construction of buildings and specialty trade contractors	1,202,758	857,781	(344,976)	-28.7%	
Wholesaling	Wholesale of durable goods and non durable goods.	434,460	426,322	(8,137)	-1.9%	
Transp/Utility	Utilities	3,453	8,007	4,554	131.9%	
Information	Telecommunications, publishing and motion picture/sound record	515,154	521,833	6,679	1.3%	
Manufacturing	Wood product manufacturing, printing/related support, and furniture related products	139,973	156,478	16,505	11.8%	
Government	Economic Programs, Executive/Legislative, Justice/Public Order, Human Resources Administration, Nonclassifiable Establishments which includes Liquor Stores and sales tax for establishments that did not classify their Component group.	258,026	120,701	(137,325)	-53.2%	
Fin/Ins/Real Estate	Rental/leasing services, real estate, and credit intermediation.	320,136	336,117	15,981	5.0%	
Other	Mining, support activities of mining, and transportation services.	25,404	38,512	13,108	51.6%	
Annual Total		\$ 10,858,386	\$ 10,534,147	\$ (324,239)	-3.0%	

Sales Tax by Area



Comparing 2012 to 2011:

- S 348th is up \$47K or 4% mainly due to a general increase for a building material/garden store, general merchandise retail store and is offset by a decrease in an electronics retail store.
- The Commons is down \$30K or 3.1% mainly due to a decrease from a major discount retail store and book retailer closing in May of 2011.
- S312 to S316th is down \$16K or 1.9% mainly due to a decrease from a major discount retail store and a grocery store.
- Pavilion Center is down \$25K or 5.1% mainly due to a decrease from a major electronics/appliances retailer and is offset by an increase for a book retailer.
- Hotel & Motels is down \$3K or 1.4%.
- Federal Way Crossings is down \$3K or less than 1%.
- Gateway Centre is up \$10K or 5.7%.

SALES TAX COMPARISON by AREA				
Annual 2012				
Location	2011	2012	Favorable/(Unfavorable)	
			Chg from 2011	
			\$	%
YTD Total Sales Tax	\$ 10,858,386	\$ 10,534,147	\$ (324,239)	-3.0%
S 348th Retail Block	1,169,582	1,216,596	47,014	4.0%
% chg from prev yr	0.2%	4.0%	n/a	n/a
The Commons	947,526	917,915	(29,611)	-3.1%
% chg from prev yr	-1.3%	-3.1%	n/a	n/a
S 312th to S 316th	833,254	817,686	(15,568)	-1.9%
% chg from prev yr	-8.6%	-1.9%	n/a	n/a
Pavilion Center	488,707	463,549	(25,158)	-5.1%
% chg from prev yr	-7.6%	-5.1%	n/a	n/a
Hotels & Motels	176,900	174,364	(2,536)	-1.4%
% chg from prev yr	25.7%	-1.4%	n/a	n/a
FW Crossings	414,477	411,343	(3,135)	-0.8%
% chg from prev yr	0.0%	-0.8%	n/a	n/a
Gateway Center	184,248	194,685	10,437	5.7%
% chg from prev yr	-0.5%	5.7%	n/a	n/a

Utility Tax (Total 7.75%)

Total net utility taxes received annual 2012 is \$13.1M and is above 2011's annual collections by \$15K or 0.1%. Compared to annual budget, net utilities tax revenues are above 2012 annual projections by \$663K or 5.3%. There is a one-time increase of \$420K for the audit of a major electric and gas payor. If this was taken into consideration, the positive variance compared to 2011 annual actual will be reduced to a negative variance of \$405K or 3.1% and a positive variance of \$244K or 2.0% compared to 2012 annual projections.

Rebate line item is for Federal Way residents who are 65 years of age or older, disabled/unable to work, and qualified as low income during the calendar year would qualify for the City's Utility Tax Rebate Program. Any payments that these qualified individuals made towards the utility tax that is passed from the utility company to the consumer is reimbursed by the City. This is an annual program that opens January 1st and closes April 30th of each year. The City has processed 187 rebates totaling \$27K.

UTILITY TAXES							
Annual 2012							
Month	2011 Actual	2012		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2011		2012 Actual vs Budget	
				\$ Var	% Var	\$ Var	% Var
Jan	\$ 1,121,556	\$ 1,240,370	\$ 1,257,662	\$ 136,106	12.1%	\$ 17,291	1.4%
Feb	1,358,659	1,219,793	1,268,041	(90,618)	-6.7%	48,248	4.0%
Mar	1,286,564	1,244,260	1,190,372	(96,193)	-7.5%	(53,888)	-4.3%
Apr	1,295,155	1,167,250	1,519,049	223,893	17.3%	351,799	30.1%
May	1,186,432	1,096,344	1,048,429	(138,003)	-11.6%	(47,915)	-4.4%
Jun	1,033,820	987,492	793,896	(239,924)	-23.2%	(193,596)	-19.6%
Jul	949,722	914,878	1,149,646	199,924	21.1%	234,768	25.7%
Aug	908,464	872,598	833,215	(75,249)	-8.3%	(39,383)	-4.5%
Sept	911,253	850,446	400,925	(510,327)	-56.0%	(449,520)	-52.9%
Oct	989,797	945,201	1,319,188	329,390	33.3%	373,986	39.6%
Nov	506,796	608,369	943,496	436,700	86.2%	335,128	55.1%
Dec	1,546,791	1,299,999	1,386,274	(160,517)	-10.4%	86,275	6.6%
Subtotal	\$ 13,095,010	\$ 12,447,000	\$ 13,110,193	\$ 15,182	0.1%	\$ 663,193	5.3%
Rebate	(26,500)	(27,000)	(27,081)	(581)	2.2%	(81)	0.3%
Annual Total	\$ 13,068,511	\$ 12,420,000	\$ 13,083,112	\$ 14,601	0.1%	\$ 663,112	5.3%

Compared to annual 2011 –

- Electricity is up by \$234K or 4.8% mainly due to one-time increase from the result of an audit of a major electric payor. If this was taken into consideration, the positive variance compared to 2011 annual actual will be reduced to a negative variance of \$153K or 3.1% mainly due to a decrease in consumption.
- Gas is down by \$185K or 9.5% due to decrease in consumption. The variance would be adjusted to a negative variance of \$218K or 11.1% if the City did not receive monies from an audit of a major gas payor.
- Solid Waste is up by \$42K or 5.3% due to increase in consumption.
- Cable is up by \$39K or 2.7% due to increase in consumption.
- Phone is down by \$26K or 2.5% mainly due to decrease in consumption.
- Cellular phone is down by \$109K or 4% due to decrease in consumption.

UTILITY TAXES - by Type				
Annual 2012				
Utility Type	2011 Actual	2012 Actual	Favorable/(Unfavorable) Change from 2011	
			\$ Var	% Var
Electric	\$ 4,904,375	\$ 5,138,171	\$ 233,795	4.8%
Gas	1,960,364	1,774,917	(185,447)	-9.5%
Solid Waste	782,974	824,847	41,872	5.3%
Cable	1,437,075	1,475,992	38,917	2.7%
Phone	1,059,186	1,032,783	(26,403)	-2.5%
Cellular	2,687,575	2,578,894	(108,682)	-4.0%
Pager	434	435	1	0.3%
SWM	263,027	284,154	21,128	8.0%
Tax Rebate	(26,500)	(27,081)	(581)	2.2%
Annual Total	\$13,068,511	\$13,083,112	\$ 14,601	0.1%

Update on Proposition 1

Annual 2012 Prop 1 expenditures total \$2.7M or 90.6% of the \$3M annual budget. Current life-to-date Prop 1 Utility tax collections total \$17.3M and expenditures total \$16.2M resulting in ending fund balance of \$1.1M.

PROP 1	2011		2012		LIFE TO DATE
	Budget	Actual	Budget	Actual	
Beginning Balance:	692,917	692,917	836,819	836,819	n/a
OPERATING REVENUES					
January	282,799	252,277	279,388	283,988	1,372,441
February	275,679	305,101	274,255	284,977	1,452,500
March	261,216	289,430	279,380	266,835	1,717,272
April	271,964	291,178	262,253	341,953	1,718,651
May	251,429	266,935	246,983	235,323	1,595,613
June	234,283	233,443	222,307	178,986	1,325,750
July	220,326	214,470	206,523	259,553	1,360,687
August	210,303	205,168	197,050	188,145	1,242,518
September	208,464	205,767	192,036	90,532	1,141,315
October	233,261	223,472	213,421	297,881	1,438,592
November	222,225	114,438	137,374	213,048	1,230,471
December	228,083	349,275	293,548	301,157	1,717,685
Total Prop 1 Revenues:	2,900,032	2,950,954	2,804,516	2,942,379	17,313,495
OPERATING EXPENDITURES					
<i>Public Safety Improvement Positions & Costs:</i>					
Police Services (includes sworn positions, records clerk, and indirect Information Technology support costs)**	2,288,620	2,233,767	2,326,710	2,123,654	11,826,923
Court Services (includes Judge, Court Clerk, Prosecutor, public defender contract, and indirect Information Technology support)	381,764	345,031	392,683	355,036	1,996,621
Total Public Safety Improvement Positions & Costs	2,670,384	2,578,798	2,719,393	2,478,690	13,823,544
<i>Community Safety Program Costs:</i>					
Code Enforcement Officer*	-	-	-	-	318,857
Code Enforcement Civil Attorney	69,341	62,907	69,341	60,105	352,971
Park Maintenance	111,697	101,738	113,555	100,501	569,131
Total Community Safety Improvement Program Costs	181,038	164,645	182,896	160,606	1,240,959
Indirect Support - HR Analyst	44,586	26,109	44,586	26,072	208,050
SafeCity M&O	37,500	37,500	37,500	37,500	170,928
Subtotal Ongoing Expenditures	82,086	63,609	82,086	63,572	378,978
SafeCity Startup	-	-	-	-	189,066
Other Transfer - Prop 1 OT for Police	-	-	-	-	600,000
Subtotal Other Expenditures	-	-	-	-	789,066
Total Prop 1 Expenditures:	2,933,508	2,807,052	2,984,375	2,702,868	16,232,547
Total Ending Fund Balance:	659,441	836,819	656,960	1,076,329	1,080,948

*Code Enforcement Officer 1.0 FTE was frozen as part of the 2011/2012 Adopted Budget.

**Police Officer 2.0 FTE was frozen as part of the 2011/2012 Adopted Budget.

Real Estate Excise Tax

Compared to 2011 annual actuals, collections are down \$53K or 3.4%. December's receipt of \$302K is above December 2011's actual by \$217K or 254.7% and above December 2012's projections by \$219K or 262.3%. Annual collections are exceeding annual projections by \$107K or 7.7%.

The decrease in January is due to the sale of the Palisades Apartments (\$67.5M), Woodmark at Steel Lake – Retirement Community (\$9.2M), business building located on 6th Ave S. (\$4.4M), and a vacant lot located on 19th Ave (\$2.0M) in; decrease June is mainly due to the sale of the Lodge Apartments (\$51.8M); and the decrease in September is due to the sale of St. Croix Apartments (\$23.1M) in 2011.

REAL ESTATE EXCISE TAX REVENUES							
Annual 2012							
Month	2011 Actual	2012		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2011		2012 Actual vs Budget	
				\$ Var	% Var	\$ Var	% Var
Jan	\$ 461,865	\$ 222,163	\$ 79,285	\$ (382,580)	-82.8%	\$ (142,878)	-64.3%
Feb	44,769	102,363	46,041	1,272	2.8%	(56,322)	-55.0%
Mar	67,758	139,094	90,054	22,296	32.9%	(49,040)	-35.3%
Apr	77,333	107,639	86,114	8,781	11.4%	(21,525)	-20.0%
May	55,008	134,800	98,819	43,811	79.6%	(35,981)	-26.7%
Jun	332,852	138,765	199,060	(133,792)	-40.2%	60,295	43.5%
Jul	78,185	132,213	83,626	5,441	7.0%	(48,587)	-36.7%
Aug	61,686	75,322	91,170	29,484	47.8%	15,848	21.0%
Sep	179,226	91,924	92,663	(86,563)	-48.3%	739	0.8%
Oct	54,503	103,312	158,572	104,069	190.9%	55,260	53.5%
Nov	61,970	68,958	179,574	117,604	189.8%	110,616	160.4%
Dec	85,239	83,449	302,336	217,096	254.7%	218,887	262.3%
Annual Total	1,560,394	1,400,000	1,507,313	(53,081)	-3.4%	107,313	7.7%

Significant sales in 2012: January 2012 vacant land (\$2.9M); Lowes Home Improvement store (\$5.0M) March 2012 sale included the View at Redondo Apartments (\$5.1M), October 2012 sale included Vacant Commercial Property (\$1.1M), Quality Inn & Suites (\$2.9M), Office building on 6th Ave S (\$3.6M), and Top Food & Drug (\$5.1M), November 2012 sale included Weyerhaeuser East Campus located on 32nd Ave S (\$19.8M), and December 2012 sale included Complete Collision Center (\$1.1M), Blue Ridge Apartments (\$1.9M), Campus Square Shopping Center (\$12.5M), and Forest Cove Apartments (\$29.3M).

November 2012 activities include 207 real estate transactions, of which 116 were tax exempt.

Hotel/Motel Lodging Tax

Hotel/Motel lodging tax received annual 2012 is \$193K and is above 2011's annual collections by \$8K or 4.3%. 2012 annual receipts are on target with projections.

HOTEL/MOTEL LODGING TAX REVENUES							
Annual 2012							
Month	2011 Actual	2012		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2011		2012 Actual vs Budget	
				\$ Var	% Var	\$ Var	% Var
Jan	\$ 10,925	\$ 13,283	\$ 12,246	\$ 1,321	12.1%	\$ (1,037)	-7.8%
Feb	12,360	15,091	12,705	345	2.8%	(2,385)	-15.8%
Mar	9,988	11,433	12,070	2,082	20.8%	638	5.6%
Apr	12,823	13,863	14,318	1,495	11.7%	455	3.3%
May	16,036	17,065	17,670	1,634	10.2%	605	3.5%
Jun	13,982	13,424	12,328	(1,654)	-11.8%	(1,095)	-8.2%
Jul*	16,472	14,759	14,722	(1,750)	-10.6%	(38)	-0.3%
Aug	17,643	19,385	18,991	1,349	7.6%	(394)	-2.0%
Sept	22,791	21,317	21,571	(1,220)	-5.4%	254	1.2%
Oct	21,043	22,818	22,009	967	4.6%	(809)	-3.5%
Nov*	16,042	17,098	18,311	2,269	14.1%	1,213	7.1%
Dec	15,186	13,904	16,401	1,216	8.0%	2,497	18.0%
Annual Total	\$ 185,290	\$ 193,440	\$ 193,344	\$ 8,053	4.3%	\$ (96)	0.0%

*July and November 2011 receipts were adjusted for Department of Revenue Error in over-remitting \$3.5K in July. These figures were adjusted for comparison purposes.

Gambling Tax

Gambling tax collection received annual 2012 is \$114K, which is below 2011's annual collections by \$397K or 77.6% and below 2012 annual projections by \$54K or 31.9%. The negative variance is mainly due to a card room establishment closing on January 31st 2012.

GAMBLING TAX REVENUE							
Annual 2012							
Month	2011 Actual	2012		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2011		2012 Actual vs Budget	
				\$ Var	% Var	\$ Var	% Var
Jan	\$ 6,879	\$ 36,274	\$ 36,041	\$ 29,162	423.9%	\$ (233)	-0.6%
Feb	63,306	48,733	12,082	(51,224)	-80.9%	(36,651)	-75.2%
Mar	55,169	16,139	16,266	(38,903)	-70.5%	127	0.8%
Apr	52,305	7,886	18,713	(33,592)	-64.2%	10,827	137.3%
May	35,055	6,865	9,010	(26,044)	-74.3%	2,145	31.2%
Jun	46,594	5,060	15,817	(30,777)	-66.1%	10,757	212.6%
Jul	13,735	7,641	15,714	1,979	14.4%	8,073	105.7%
Aug	48,054	7,971	9,451	(38,603)	-80.3%	1,480	18.6%
Sept	46,500	8,517	18,448	(28,052)	-60.3%	9,930	116.6%
Oct	67,846	8,259	9,502	(58,344)	-86.0%	1,243	15.1%
Nov	25,681	4,502	19,303	(6,377)	-24.8%	14,801	328.8%
Dec	49,882	10,154	(65,904)	(115,786)	-232.1%	(76,058)	-749.1%
Annual Total	\$ 511,005	\$ 168,000	\$ 114,443	\$ (396,562)	-77.6%	\$ (53,557)	-31.9%

State Shared Revenue

Annual 2012 distribution of \$5.1M is above 2011's annual activity by \$79K or 1.6%. The increase in liquor profits tax is due to the State auction of the State liquor stores. Per the State Treasurer's Office, the City will share in the additional revenues generated from the auctions of the State's liquor stores. The decrease in liquor excise tax is due to State's temporary elimination of revenue distribution to local governments.

The City qualified for Criminal Justice High Crime distribution for 2nd half of 2012 through the first half of 2013. Criminal Justice High Crime will be reevaluated in June 2013 to determine if the City qualifies for the High Crime distribution July 1st, 2013 through June 30th, 2014.

STATE SHARED REVENUES				
Annual 2012				
Revenue	2011 Actual	2012 Actual	Favorable/(Unfavorable Change from 2011	
			\$	%
Liquor Profits Tax	\$ 622,476	\$ 850,554	\$ 228,079	36.6%
Liquor Excise Tax	434,957	223,936	(211,021)	-48.5%
Crim Just - Population/SP	94,245	96,766	2,521	2.7%
Criminal Just High Crime	183,941	192,222	8,281	4.5%
Local Crim Just Sales Tax	1,795,972	1,864,991	69,019	3.8%
Fuel Tax*	1,854,071	1,838,984	(15,087)	-0.8%
DUI - Cities	19,061	16,466	(2,595)	-13.6%
Annual Total	\$ 5,004,723	\$ 5,083,919	\$ 79,196	1.6%

* Fuel tax amount includes general/street, designated operating funds, and transportation CIP.

Permit Activity

Building, planning, and zoning permit activities are above 2011's annual activity by \$471K or 42.8%. Compared to annual budget, permit activity is exceeding projections by \$466K or 42.2%. Some significant permits for 2012 includes: Buffalo Wild Wings, DaVita, Northlake Rim, Wynstone, King County Library System, and Federal Way Public Schools. *Community Development's* has a positive variance of \$308K is mainly due to one-time items not yet spent including comprehensive plan update, graffiti operating and permit system upgrade.

BUILDING & LAND USE PERMITS AND FEES (CED)							
Annual 2012							
Month	2011 Actual	2012		Change from 2011		Favorable/(unfavorable) 2012 Actual vs Budget	
		Budget	Actual	\$	%	\$	%
Jan	116,720	79,081	194,017	77,297	66.2%	114,937	145.3%
Feb	90,356	96,651	128,366	38,011	42.1%	31,715	32.8%
Mar	70,100	94,905	116,115	46,015	65.6%	21,210	22.3%
Apr	79,234	106,693	124,642	45,407	57.3%	17,949	16.8%
May	85,035	96,332	144,559	59,523	70.0%	48,226	50.1%
Jun	108,858	115,973	127,180	18,322	16.8%	11,207	9.7%
Jul	59,971	94,153	105,418	45,446	75.8%	11,264	12.0%
Aug	148,032	102,291	172,270	24,238	16.4%	69,979	68.4%
Sept	112,604	66,341	125,430	12,826	11.4%	59,089	89.1%
Oct	64,377	76,832	123,052	58,675	91.1%	46,220	60.2%
Nov	56,381	88,598	105,330	48,949	86.8%	16,732	18.9%
Dec	109,021	87,296	105,227	(3,793)	-3.5%	17,931	20.5%
Annual Total	1,100,689	1,105,147	1,571,606	470,918	42.8%	466,459	42.2%

Right-of-way permits and development services permit fees are down \$2K or 0.7% when compared to annual budget. *Public Works Operations* expenditures total \$4.1M and is below budget of \$5.1M by \$958K mainly due to savings found in one time electricity, traffic counts, repairs/maintenance, comprehensive plan update temporary help, and one-time gasoline increase.

ROW PERMITS & DEVELOPMENT SERVICES FEES (PW)							
Annual 2012							
Month	2011 Actual	2012		Change from 2011		Favorable/(unfavorable) 2012 Actual vs Budget	
		Budget	Actual	\$	%	\$	%
Jan	12,685	19,744	22,028	9,343	73.7%	2,284	11.6%
Feb	30,046	26,207	32,014	1,968	6.6%	5,807	22.2%
Mar	22,477	18,580	22,341	(136)	-0.6%	3,761	20.2%
Apr	25,148	41,220	31,683	6,534	26.0%	(9,537)	-23.1%
May	44,077	30,447	54,874	10,798	24.5%	24,428	80.2%
Jun	20,973	26,311	13,564	(7,409)	-35.3%	(12,748)	-48.4%
Jul	13,224	24,941	22,639	9,416	71.2%	(2,302)	-9.2%
Aug	32,050	24,411	13,869	(18,181)	-56.7%	(10,542)	-43.2%
Sept	11,764	14,438	14,689	2,925	24.9%	251	1.7%
Oct	29,359	29,713	33,101	3,742	12.7%	3,388	11.4%
Nov	48,725	21,719	27,326	(21,399)	-43.9%	5,606	25.8%
Dec	72,457	39,164	26,704	(45,754)	-63.1%	(12,460)	-31.8%
Annual Total	362,983	316,895	314,830	(48,153)	-13.3%	(2,065)	-0.7%

Police Department

2012 expenditures total \$21.8M and is below budget of \$22.4M by \$623K mainly due to vacancy and unspent one-time programs for grants and contributions.

The total overtime budget of \$888K consists of \$686K for City overtime and \$202K for billable time.

Compared to annual budget, City portion overtime is \$13K or 1.9% above annual projections.

Compared to annual 2011 actuals, City portion overtime is \$47K or 7.3% above prior annual total. Including the decrease in billable overtime, total overtime increase \$46K or 5.7%. The increase in overtime is due to shift call in and shift extension in order to maintain minimum staffing for community and officer safety. The department was experiencing an unusual number of officers who are on the injury list that is contributing to this shortage. In addition, there was mandatory training for firearms and emergency vehicle operations courses that also contributed to the overtime for those personnel who instructed.

City portion of overtime includes \$45K related to red light photo, which is currently not budgeted.

PD Overtime by Type Annual 2012					PD Overtime by Month Annual 2012							
					Month	2011 Actual	2012 BudgetActual		(Favorable)/Unfavorable			
									Change from 2011		2012 Actual vs Budget	
Type	2011 Actual	2012 Actual	(Favorable)/Unfavorable Change from 2011				\$ Var	% Var	\$ Var	% Var		
Training	\$ 10,036	\$ 16,247	\$ 6,211	61.9%	Jan	\$ 56,227	\$ 58,465	\$ 57,441	\$ 1,215	2.2%	\$ (1,023)	-1.8%
Court	34,302	37,020	2,718	7.9%	Feb	56,219	46,306	65,486	9,267	16.5%	19,180	41.4%
Field Oper	493,590	542,869	49,278	10.0%	Mar	50,412	62,000	45,171	(5,241)	-10.4%	(16,829)	-27.1%
Other	113,424	102,540	(10,884)	-9.6%	Apr	45,223	55,448	51,108	5,885	13.0%	(4,340)	-7.8%
City Portion	651,352	698,676	47,324	7.3%	May	78,380	62,379	48,017	(30,362)	-38.7%	(14,362)	-23.0%
Contract/Grant	127,234	138,327	11,093	8.7%	Jun	50,613	51,713	53,484	2,871	5.7%	1,771	3.4%
Traffic School	32,292	19,814	(12,479)	-38.6%	Jul	74,968	67,480	77,602	2,634	3.5%	10,122	15.0%
Billable	159,526	158,141	(1,386)	-0.9%	Aug	47,804	64,974	44,075	(3,728)	-7.8%	(20,899)	-32.2%
Annual Total	\$ 810,878	\$ 856,817	\$ 45,939	5.7%	Sep	57,152	58,911	66,346	9,194	16.1%	7,434	12.6%
					Oct	51,231	57,018	79,571	28,340	55.3%	22,553	39.6%
					Nov	37,893	48,086	46,461	8,568	22.6%	(1,625)	-3.4%
					Dec	45,231	52,847	63,914	18,682	41.3%	11,067	20.9%
					City Portion	651,352	685,627	698,676	47,324	7.3%	13,049	1.9%
					Billable	159,526	202,320	158,141	(1,386)	-0.9%	(44,179)	-21.8%
					Annual Total	\$ 810,878	\$ 887,947	\$ 856,817	\$ 45,939	5.7%	\$ (31,130)	-3.5%

Jail Services

Jail Services for annual 2012 is \$1.9M and is above annual budget of \$1.8M by \$101K or 5.5%. Jail Services budget consists of \$1.8M for SCORE Jail maintenance & operation, \$50K for one-time non-score jail cost, \$525K for debt service payment (of which \$525K have been paid) and \$582K for one-time jail reserves.

Compared to 2011 annual actuals, jail services are down \$2.4M or 55.1%. The decrease is mainly due to switching over to the SCORE facility in which payments are based on a cost model. City of Federal Way portion of the maintenance and operations is \$148K per month. Annual maintenance and operations payment of \$1.78M includes 12 months for SCORE.

Jail Services							
Annual 2012							
Month	2011 Actual	2012 Budget	2012 Actual	Favorable/(Unfavorable)			
				Change from 2011		2012 Actual vs Budget	
				\$ Var	% Var	\$ Var	% Var
Jan	-	148,359	-	-	-	148,359	-
Feb	117,132	148,359	-	117,132	-	148,359	-
Mar	333,841	148,359	-	333,841	-	148,359	-
Apr	439,407	148,359	593,433	(154,026)	-35.1%	(445,074)	-300.0%
May	372,173	148,359	148,473	223,699	60.1%	(114)	-0.1%
Jun	377,181	148,359	148,358	228,823	60.7%	1	0.0%
Jul	243,117	148,359	148,358	94,759	39.0%	1	0.0%
Aug	376,901	148,359	148,410	228,490	60.6%	(51)	0.0%
Sep	539,521	148,359	148,358	391,162	72.5%	1	0.0%
Oct	263,614	148,359	148,536	115,078	43.7%	(177)	-0.1%
Nov	238,518	148,359	148,365	90,154	37.8%	(6)	0.0%
Dec	1,002,810	148,359	148,358	-	0.0%	-	0.0%
M&O:	4,304,215	1,780,308	1,780,651	2,523,564	58.6%	(343)	0.0%
Non-SCORE Jail/Altern.	-	50,000	151,094	(151,094)	n/a	(101,094)	-202.2%
Subtotal Jail Cost:	4,304,215	1,830,308	1,931,745	2,372,471	55.1%	(101,437)	-5.5%
Debt Service:	-	524,980	524,980	n/a	n/a	n/a	n/a
Jail Reserves:	-	581,712	-	n/a	n/a	n/a	n/a
Annual Total	4,304,215	2,937,000	n/a	n/a	n/a	n/a	n/a

Animal Services

Previously animal services program was administered by King County. The County had estimated that Federal Way would incur a cost of approximately \$400K - \$500K annually to continue the service agreement at full recovery cost. In July of 2010, the City formed its own Animal Services Division within the Police Department due to the anticipated increase in cost. In addition to cost savings the City would benefit from increased services.

The adopted 2012 projected pet license revenues of \$272K was based on 100% of King County license renewals and an increase in new licenses. This did not take into consideration the free licenses for Senior/Disabled, which account for approximately 26% of the total licenses issued annually or \$33K if based on \$25 licensing fee. The projected pet license revenue was reduced to \$153K during the Mid-Biennium budget adjustment. The \$332K expenditure budget includes funding for two animal services officers, shelter, administrative hearings, supplies, dispatch services and internal services charges for the City's information technology and fleet/equipment services. The budgeted cost is \$183K (revenues of \$153K less expenditures of \$337K) which is substantially lower than the anticipated cost of \$400K - \$500K had the City retained King County's services.

On an annual basis, revenues total \$104K which is \$5K or 4.8% above annual 2011 and \$49K or 31.9% below annual projections. Annual expenditures total \$256K resulting in a net cost of \$152K, which is substantially less expensive than King County and below 2012 annual projections.

The Police Department has taken various steps to increase licensing compliance, including: comparing current licenses against King County's database; sending reminders to pet owners who have not complied; advertising the licensing law; including a licensing flyer in utility bills; working with multi-family home complexes to place license brochure in new resident folder; providing licensing brochure to local vets and pet stores; animal services booth at local farmers market; pet license enforcement; and the department current has volunteers calling pet owners directly to remind them to renew their expired pet license.

Most recent efforts include mailing out over 1,000 pet license renewal notices (1st notice) on September 6th. Citizens will be receiving an actual renewal notice that identifies what animal is eligible for renewal, etc. The fees are listed on the notice and several ways to pay (check, online or in person). Additionally, there is information about how citizens can let the City know if the animal is no longer with them. Pet license new fee structure, which was approved by Council on April 6, 2011, allows owners to purchase multi-year license for altered pets only; which can range from \$20-\$25 for one year license to \$50-\$65 for a three year license.

For 2012, the Department issued 3,179 paid licenses and 426 free licenses for permanent disabled/senior permanent/service animal which generates \$0 for pet license revenues.

The tables below provide a summary of revenues & expenditures and licenses issued by type.

Animal Services	2011		2012		Favorable/(Unfavorable)			
	Annual Budget	Annual Total	Annual Budget	Annual Actual	Chg from 2011		2012 Act. vs Budg.	
					\$	%	\$	%
Operating Revenues								
Pet Licenses	\$ 102,000	\$ 95,481	\$ 153,000	\$ 98,203	\$ 2,722	2.9%	\$ (54,797)	-35.8%
Misc/Donations	3,690	3,902	-	5,990	2,088	-	5,990	-
Total Operating Revenue	\$ 105,690	\$ 99,383	\$ 153,000	\$ 104,193	\$ 4,810	4.8%	\$ (48,807)	-31.9%
Operating Expenditures*								
Personnel	153,835	110,189	160,217	136,934	(26,745)	-24.3%	23,283	14.5%
Shelter	100,000	61,380	100,000	57,095	4,285	7.0%	42,905	42.9%
Supplies	7,500	1,051	7,500	3,389	(2,338)	-	4,111	-
Administrative Hearings	10,000	1,120	10,000	633	487	-	9,367	-
Other Services & Charges	-	946	-	3,730	(2,784)	-	(3,730)	-
Dispatch Services*	20,000	20,000	20,000	20,000	-	-	-	-
Internal Service*	34,460	34,460	34,460	34,460	-	-	-	-
Total Operating Expenditure	\$ 325,795	\$ 229,146	\$ 332,177	\$ 256,241	\$ (27,095)	-11.8%	\$ 75,936	22.9%
One-time Other Operating	4,690	-	4,690	-	-	-	-	-
Rev Over / (Under) Exp	\$(224,795)	\$(129,763)	\$(183,867)	\$ (152,048)	\$ (22,285)	17.2%	\$ 31,819	-17.3%

* Dispatch and internal service charges are shown in the table to more accurately reflect total animal service cost and are assumed to be fully expended. These charges are not easily tracked separately and therefore accounted within the total police internal service charges and dispatch services.

Animal Services License Type	Fee	2011 Annual Total		2012 Annual Total		Favorable/(Unfavorable) Change from 2011	
		#	\$	#	\$	#	\$
Renewal - Altered Cat 1 yr	\$ 20	815	\$ 16,300	387	\$ 7,740	(428)	\$ (8,560)
Renewal - Altered Cat 2 yr	\$ 35	-	\$ -	42	\$ 1,470	42	\$ 1,470
Renewal - Altered Cat 3 yr	\$ 50	-	\$ -	32	\$ 1,600	32	\$ 1,600
Renewal - Altered Dog 1 yr	\$ 25	1,633	\$ 40,825	872	\$ 21,800	(761)	\$ (19,025)
Renewal - Altered Dog 2 yr	\$ 45	-	\$ -	81	\$ 3,645	81	\$ 3,645
Renewal - Altered Dog 3 yr	\$ 65	-	\$ -	52	\$ 3,380	52	\$ 3,380
Renewal - Unaltered Cat 1 yr	\$ 60	1	\$ 60	8	\$ 480	7	\$ 420
Renewal - Unaltered Dog 1 yr	\$ 60	167	\$ 10,020	54	\$ 3,240	(113)	\$ (6,780)
New - Altered Cat 1 yr	\$ 20	309	\$ 6,180	268	\$ 5,360	(41)	\$ (820)
New - Altered Cat 2 yr	\$ 35	-	\$ -	71	\$ 2,485	71	\$ 2,485
New - Altered Cat 3 yr	\$ 50	-	\$ -	56	\$ 2,800	56	\$ 2,800
New - Altered Dog 1 yr	\$ 25	682	\$ 17,050	870	\$ 21,740	188	\$ 4,690
New - Altered Dog 2 yr	\$ 45	-	\$ -	104	\$ 4,680	104	\$ 4,680
New - Altered Dog 3 yr	\$ 65	-	\$ -	119	\$ 7,735	119	\$ 7,735
New - Unaltered Cat 1 yr	\$ 60	4	\$ 240	6	\$ 360	2	\$ 120
New - Unaltered Dog 1 yr	\$ 60	79	\$ 4,740	157	\$ 9,420	78	\$ 4,680
Hobby Kennel/Cattery	\$ 50	-	\$ -	4	\$ 200	4	\$ 200
Replacement Tag	\$ 2	33	\$ 66	34	\$ 68	1	\$ 2
Permanent Disabled	\$ -	183	\$ -	72	\$ -	(111)	\$ -
Senior Permanent	\$ -	1,142	\$ -	352	\$ -	(790)	\$ -
Service Animal	\$ -	7	\$ -	2	\$ -	(5)	\$ -
Total Paid Licenses:		3,690	\$ 95,415	3,179	\$ 97,935	(511)	\$ 2,520
Total Paid/Free Licenses & Replacement Tag Issued:		5,055	\$ 95,481	3,643	\$ 98,203	(1,412)	\$ 2,722

Traffic Safety/Red Light Photo Enforcement

Red light photo revenues are accounted for in the Traffic Safety Fund to be used for, but not limited to, prevention, education, and enforcement efforts related to traffic safety and compliance with traffic control devices within the City, including maintenance and operations costs.

Currently there are a total of 14 cameras at 11 locations (8 of these cameras are red light and 6 are in the school zones). The original 4 red light cameras were activated in October 2008 and an additional 4 cameras were activated February 2010. The original 4 school zone cameras were activated February 2010 and an additional 2 cameras were activated December 2010.

Payments to ATS include \$4,750/month per location plus supplemental fees for check processing.

Annual red light photo net revenues total \$2.26M which exceeds annual 2011 actual by \$1.31M. The overall increase is due to increasing safety in the school zones.

Red Light Photo Enforcement								
Month	2011			2012			Favorable/(Unfavorable) 2012 vs 2011 Net Revenue	
	Gross Revenue	Payments to ATS	Net Revenue	Gross Revenue	Payments to ATS	Net Revenue	\$ Variance	% Variance
Jan	\$ 150,039	\$ (54,217)	\$ 95,822	\$ 140,361	\$ (52,910)	\$ 87,451	\$ (8,372)	-8.7%
Feb	159,379	(54,831)	104,548	163,551	(53,000)	110,551	6,002	5.7%
Mar	173,031	(56,674)	116,357	230,342	(53,233)	177,109	60,752	52.2%
Apr	156,321	(54,707)	101,615	224,418	(53,323)	171,095	69,480	68.4%
May	129,070	(54,740)	74,331	340,862	(53,689)	287,173	212,843	286.3%
Jun	168,322	(54,711)	113,611	377,420	(53,759)	323,661	210,049	184.9%
Jul	87,649	(53,611)	34,039	282,507	(39,263)	243,244	209,206	614.6%
Aug	78,868	(51,695)	27,173	216,037	(39,092)	176,945	149,773	551.2%
Sep	92,298	(39,775)	52,523	144,215	(53,174)	91,041	38,518	73.3%
Oct	98,992	(48,085)	50,907	250,344	(53,651)	196,693	145,786	286.4%
Nov	129,433	(48,184)	81,249	328,429	(53,485)	274,945	193,696	238.4%
Dec	146,395	(52,964)	93,431	170,046	(53,318)	116,728	23,297	24.9%
Annual Total	\$ 1,569,797	\$ (624,191)	\$ 945,606	\$ 2,868,531	\$ (611,895)	\$ 2,256,636	\$ 1,311,030	138.6%
Annual Budget	n/a	n/a	830,000	n/a	n/a	830,000	n/a	n/a

Court

Municipal Court expenditures total \$1.4M and is below budget of \$1.6M by \$185K. The positive variance is mainly due to savings found in salaries/benefits, temporary help (for pro tem judges), court security, and interpreter costs.

Court revenues are \$51K or 3.4% below 2011 annual actuals and \$86K or 5.6% below 2012 annual budget. The negative variance is comprised primarily of a decrease in traffic & non-parking of \$107K, offset by an increase in DUI and other misdemeanors of \$37K and \$26K in criminal conviction fees.

COURT REVENUE Annual 2011							
Month	2011 Actual	2012		Favorable/(Unfavorable)			
		Budget	Actual	Change from 2011		2012 Actual vs Budget	
				\$ Var	% Var	\$ Var	% Var
January	\$ 86,717	\$ 88,829	\$ 87,425	\$ 708	0.8%	\$ (1,404)	-1.6%
February	110,982	113,685	128,437	17,455	15.7%	14,751	13.0%
March	190,183	194,816	157,534	(32,649)	-17.2%	(37,282)	-19.1%
April	131,430	134,632	108,288	(23,142)	-17.6%	(26,344)	-19.6%
May	118,146	121,024	126,103	7,957	6.7%	5,079	4.2%
June	102,567	105,066	106,684	4,117	4.0%	1,618	1.5%
July	111,494	114,210	103,542	(7,952)	-7.1%	(10,668)	-9.3%
August	136,562	139,889	118,975	(17,587)	-12.9%	(20,914)	-15.0%
September	112,110	114,841	135,598	23,488	21.0%	20,757	18.1%
October	119,352	122,259	112,027	(7,324)	-6.1%	(10,232)	-8.4%
November	88,438	90,592	94,598	6,161	7.0%	4,006	4.4%
December	114,193	116,975	85,951	(28,242)	-24.7%	(31,024)	-26.5%
Subtotal	\$ 1,422,173	\$ 1,456,818	\$ 1,365,163	\$ (57,010)	-4.0%	\$ (91,655)	-6.3%
Probation Svcs	73,886	74,000	80,131	6,245	8.5%	6,131	8.3%
Annual Total	\$ 1,496,060	\$ 1,530,818	\$ 1,445,294	\$ (50,766)	-3.4%	\$ (85,522)	-5.6%

*Year-to-date budget is based on 2011 trends. The Court's increased workload and the resulting revenue from the photo enforcement program are not accounted for in the Court's revenue or expense projections.

The negative variance is mainly due to decrease in traffic & non-parking.

COURT REVENUE Annual 2011				
	2011 Actual	2012 Actual	Favorable/(Unfavorable)	
			Change from 2011	
			\$ Var	% Var
Civil Penalties	\$ 22,359	\$ 18,386	\$ (3,973)	-17.8%
Traffic & Non-Parking	893,054	786,090	(106,964)	-12.0%
Parking Infractions	49,140	43,467	(5,673)	-11.5%
DUI & Other Misd	65,764	103,263	37,499	57.0%
Criminal Traffic Misd	1,184	1,233	49	4.2%
Criminal Costs	129,690	123,853	(5,837)	-4.5%
Interest / Other / Misc	71,098	77,149	6,051	8.5%
Criminal Conv Fees	53,649	79,964	26,315	49.1%
Shared Court Costs	44,932	45,313	381	0.8%
Services & Charges	91,304	86,445	(4,859)	-5.3%
Subtotal	\$ 1,422,173	\$ 1,365,163	\$ (57,010)	-4.0%
Probation Services	73,886	80,131	6,245	8.5%
Annual Total	\$ 1,496,060	\$ 1,445,294	\$ (50,766)	-3.4%

Parks & Recreation includes administration, parks maintenance and general recreation. Annual expenditures total \$3.7M and is below budget of \$4M by \$348K. Parks savings of is primarily comprised of \$348K is primarily comprised of \$190K in one-time programs not yet spent, \$59K in salaries and wages, \$35K in repairs and maintenance, \$46K in other services & charges, \$22K in supplies, \$20K in intergovernmental, and \$8K in travel and training.

General Recreation and Cultural Services

Direct program expenditures total \$1M excluding indirect costs. Including indirect administration costs, recreation expenditures total \$1.3M. Recreation fees total \$938K. Recreation fees recovered 91.0% of direct costs and is 0.5% below the budgeted recovery ratio of 91.5%. Considering indirect administration costs, the recovery ratio is reduced to 72.9% or is 0.2% below with the budgeted recovery ratio of 73.1%.

Program subsidy is established during the adopted budget process; increase in new or existing program expenditures require approval. Total Parks revenues of \$942K is \$18K or 1.9% below annual budget of \$960K. Compared to annual actual, general recreation is below 2011's activity of \$957K by \$15K. Variance compared to annual 2011 actual is due to:

- **Adult Athletics** – Revenues are down \$30K mainly due to rained out tournaments delaying new leagues, timing of field billings, and lower participation in volleyball and softball. Expenses are up \$3K mainly due to an increase in temp help to help boost programs in adult athletics.
- **Youth Athletics** – Revenues are up \$1K from 2011 due to growing youth softball tournament program, expenses are down \$9K from 2011 due to temp help not needed for cancelled volleyball program.
- **Senior Services** – Revenues are up \$3K from 2011 due to drop-in programs at the FWCC continuing to grow including bridge, line dancing, and a new ballroom dancing class. Expenditures are up \$1K due to salaries being slightly higher than 2011.
- **Community Recreation** – Revenues are down \$2K and expenses are on target from 2011. Summer camp ran at full capacity for all 11 weeks. Special interest classes such as babysitting, cooking, yoga, and tai-chi have done very well. Preschool education keeps adding classes that fill to capacity. The holiday break camp had less days available due to the days the holiday hit this year allowing for less camp days.
- **Recreation Inc.** – Revenues are up \$25K and expenses are up by \$44K from 2011. Special Olympic sports and weekend day trips are running at capacity. Some of these programs are staffed entirely by volunteers. The increase in expenses is due to the loss of funding for half of 1.0 FTE Recreation Inc. Coordinator which was previously funded by Highline Community College. This position is now being funded .50 FTE by an increase in overall revenues and .50 FTE by CDBG grant. Revenues are up mostly due to the CDBG grant.
- **Arts & Special Events** – Revenues are down \$11K and expenses are down \$2K from 2011. Revenues are down mostly due to decrease in attendance for dance classes and events. Staff is working hard to promote new classes and reduce expenses to improve the success of these programs. In September, 10 dance classes and 6 gymnastic classes started with full enrollment.

The table below is a comparison of budgeted versus actual subsidy and recovery ratio by program.

GENERAL RECREATION PERFORMANCE									
Annual 2012									
Program	Budget				Actual				Variance Subsidy
	Revenue*	Expend	Subsidy	Recovery Ratio	Revenue	Expend	Subsidy	Recovery Ratio	
GENERAL RECREATION									
Steel Lake Aquatics	2,000	20,360	18,360	9.8%	-	24,384	-	n/a	n/a
Arts & Special Events	163,947	156,867	(7,080)	104.5%	102,529	130,759	28,230	78.4%	(35,310)
Youth Athletics	35,200	100,827	65,627	34.9%	41,688	63,134	21,446	66.0%	44,180
Adult Athletics	183,000	139,985	(43,015)	130.7%	168,505	138,597	(29,908)	121.6%	(13,107)
Community Recreation	400,000	342,037	(57,963)	116.9%	409,589	327,231	(82,358)	125.2%	24,395
Recreation Inc	73,067	122,715	49,648	59.5%	109,734	170,287	60,553	64.4%	(10,905)
Youth Commission	-	1,800	1,800	n/a	-	687	687	n/a	1,113
Red, White & Blue	21,550	36,000	14,450	59.9%	25,518	42,773	17,255	n/a	(2,805)
Senior Services	75,000	122,227	47,227	61.4%	80,259	133,259	53,000	60.2%	(5,773)
Subtotal Direct Cost	\$ 953,764	\$ 1,042,818	\$ 89,054	91.5%	\$ 937,822	\$ 1,031,111	\$ 93,289	91.0%	\$ (4,236)
Administration	-	262,083	262,083	n/a	-	255,317	255,317	n/a	6,766
Total General Recreation including Indirect Cost	\$ 953,764	\$ 1,304,900	\$ 351,136	73.1%	\$ 937,822	\$ 1,286,427	\$ 348,606	72.9%	\$ 2,531

*Annual budgeted revenues of \$953,764 does not include \$5,600 budgeted for Arts Commission. When included, total budget revenues for Parks and General Recreation total \$959,364, which equals the General/Street Summary page for Parks and General Recreation budgeted revenues. Year-to-date actual reported on the General/Street Summary page for Parks and General Recreation total \$942,006 which includes \$4,184 for Celebration Park not reported as part of the \$937,822 above.

Federal Way Community Center

The Federal Way Community Center Fund was established as a special revenue fund supported by user fees and designated utility tax transfer.

Federal Way Community Center	2011		2012		Annual Budget vs Actual Favorable/(Unfavorable)	
	Budget	Annual Actual	Budget	Annual Actual	\$	%
Beginning Fund Balance	\$ 780,753	\$ 780,753	\$ 967,942	\$ 967,942	n/a	n/a
Revenues						
Daily Drop-ins	\$ 352,622	\$ 306,463	\$ 352,622	\$ 300,692	\$ (51,930)	-14.7%
Passes	630,000	747,876	630,000	837,410	207,410	32.9%
City Staff Membership - Employee	43,500	30,408	43,500	33,016	(10,484)	-24.1%
City Staff Membership - Family	-	3,423	-	1,246	1,246	n/a
Youth Athletic Programs	35,000	45,258	35,000	44,024	9,024	25.8%
Open Gym/Indoor Playground	-	-	-	-	-	n/a
Aquatics Programs-Lessons/Classes	116,000	131,034	116,000	135,617	19,617	16.9%
Childcare Fees	9,000	9,607	9,000	8,959	(41)	-0.5%
Fitness Classes/Fitness Training	85,000	107,023	85,000	108,917	23,917	28.1%
Towel/equipment Rentals	7,000	4,205	7,000	3,830	(3,170)	-45.3%
Pool Rentals/Competitive-Lap Lanes	19,000	16,267	19,000	18,146	(854)	-4.5%
Rentals	223,300	193,810	226,500	210,299	(16,201)	-7.2%
Merchandise Sales	10,000	6,658	10,000	8,330	(1,670)	-16.7%
Concessions/Vending	-	151	-	1,067	1,067	n/a
Interest Earnings/Other Misc Revenues	-	952	-	1,487	1,487	n/a
General Park/Rec - Facility use charge	25,000	25,000	25,000	25,000	-	0.0%
Total Revenue	1,555,422	1,628,135	1,558,622	1,738,039	179,417	11.5%
Expenditures						
Personnel Costs	1,303,919	1,302,897	1,301,607	1,331,035	(29,428)	-2.3%
Supplies	146,750	139,389	146,750	147,447	(697)	-0.5%
Other Services & Charges	176,300	161,107	176,300	169,083	7,217	4.1%
Utility Cost	380,000	398,198	380,000	335,862	44,138	11.6%
Intergovernmental	20,500	26,427	20,500	26,153	(5,653)	-27.6%
Capital	-	-	4,300	-	4,300	100.0%
Internal Service Charges	115,370	102,707	116,898	103,016	13,882	11.9%
Total Expenditures	2,142,839	2,130,726	2,146,355	2,112,597	33,758	1.6%
Operating Rev Over / (Under Exp)	(587,417)	(502,591)	(587,733)	(374,558)	213,175	36.3%
Other Sources						
Utility Tax - Reserves	106,000	193,408	87,000	281,117	194,117	223.1%
Utility Tax - Operations	590,000	502,592	619,000	424,883	194,117	31.4%
Total Other Sources	696,000	696,000	706,000	706,000	-	0.0%
Other Uses						
Capital/Use of Reserves	8,883	6,219	46,590	51,563	(4,973)	-10.7%
Bad Debt Expense	-	-	52,175	50,325	-	n/a
Total Other Uses	8,883	6,219	98,765	101,888	(3,123)	-3.2%
Net Income	99,700	187,190	19,502	229,554	210,051	-1077.1%
Ending Fund Balance	\$ 880,452	\$ 967,942	\$ 987,444	\$ 1,197,494	\$ 210,051	21.3%
Operating Recovery Ratio	72.6%	76.4%	72.6%	82.3%	n/a	n/a

The operating revenue budget includes \$1.5M in user fees/program revenues, \$619K contribution from utility tax for operations, \$87K contribution from utility tax for reserves, and \$25K use charge from General Fund Recreation for use of the facility. 2012 annual operating revenues total \$1.7M and is \$179K or 11.5% above the annual budget. In comparison to 2012's annual budget:

- **Daily Drop-in revenues** are \$52K or 14.7% below mainly due to staffing efforts to up-sell daily guests to Membership Passes.
- **Pass revenues** are \$207K or 32.9% above due to marketing and membership retention efforts and high attendance in group exercise and aquatics programs for families. Strong program offerings are helping bring in new customers and retain current ones; in particular the addition of Group Ride and adjustments to pool hours to better serve families with young children.
- **Youth Athletic program revenues** are \$9K or 25.8% above due to higher than usual participation in Kidz Love Soccer and Basketball Life.

Federal Way Community Center (continued)

- **Fitness Classes** are \$24K or 28.1% above due to high enrollment in Silver Sneakers, Specialty Fitness Training classes and Personal Training programs.
- **Aquatic Programs** are \$20K or 16.9% above due to high enrollment in swim lessons, adult private swim lessons, and lifeguarding courses.
- **Towel/equipment rental revenues** are \$3K or 45.3% below due to climbing rental gear being added as a membership perk.
- **Rental Revenues** are \$16K or 7.2% below due mostly to economic factors that forced a few on-going rental clients to cut back on their rentals. Staff has worked hard at getting new clients to fill the void, including two new on-going church rentals on Sundays and the inclusion of Legal Shield event rentals on Saturdays. In addition High School sport rentals and increased Holiday Party bookings also have helped. At year's end, 2012 revenue numbers exceeded 2011 by \$16,500 due mostly to efforts by the Facilities Service Coordinator and staff to secure new on-going meeting clients.

Annual operating expenditures total \$2.1M and is \$34K or 1.6% below annual budget. Federal Way Community Center has recovered 82.3% of operating expenditures compared to the budgeted recovery ratio of 72.6%. In comparison to 2012's annual budget:

- **Personnel Costs** are \$29K or 2.3% above due to increased instructor costs of adding Group Ride & Specialty Training courses, as well as slight increases to service level demands placed on the facility from high membership numbers. These increased expenses are offset by excess membership, aquatic programs, and fitness class revenues. Also, to better serve our customers and community the Community Center has stayed open on City Holidays and added additional services and/or special events; all of which require additional staffing resources.
- **Other Services & Charges** are \$7K or 4.1% below due to the timing of direct mail advertising pieces and a more efficient and cost-effective approach to advertising media. Maintenance service projects during the closure week were also reduced compared to 2011.
- **Utility Costs** are \$44K or 11.6% below due to facility staff's and City staff's efforts to analyze, implement and improve energy efficiencies throughout the building.
- **Internal Service Charges** are \$14K or 11.9% below due to overall internal service being below.

City's contribution of \$706K for the Community Center was scheduled to annually provide \$619K for maintenance/operations and \$87K for capital reserves. Annually, \$375K is needed to cover maintenance and operations.

Dumas Bay Centre Fund

In the 2011/2012 Adopted Budget process, Council approved combining Dumas Bay Centre and Knutzen Family Theatre for accounting purposes and is referred to as the Dumas Bay Centre Fund. Dumas Bay Centre Fund annual operating revenue of \$588K is on target compared to annual projections.

Annual operating expenditures total \$621K, which is \$68K or 9.8% below annual budget of \$689K. Expenses are down \$29K from annual 2011 due to marketing plan expenses that only took place in 2011 and repairs and maintenance savings. Ending fund balance for Dumas Bay Centre Fund is a positive \$139K, of which \$114K is earmarked for repairs and maintenance.

Dumas Bay Centre Fund Annual	2011		2012		Annual Budget vs Actual Favorable/(Unfavorable)	
	Budget	Annual Actual	Budget	Annual Actual	\$	%
Beginning Fund Balance	146,981	146,981	101,328	101,331	n/a	n/a
Revenues						
In-House Food Services Operations & Interest	264,029	248,824	266,589	244,672	(21,917)	-8.2%
Dumas Bay Retreat Operations & Interest	317,289	313,159	321,143	342,834	21,691	6.8%
KFT Operations & Interest	-	40	-	-	-	n/a
Total Operating Revenue	581,318	562,023	587,732	587,506	(226)	0.0%
Expenditures						
Food Services	242,637	231,800	245,059	232,491	12,568	5.1%
DBC Retreat Operations	355,233	336,434	358,357	308,954	49,403	13.8%
KFT Theatre Operations	85,095	81,586	85,095	79,460	5,635	6.6%
Total Operating Expenses	682,964	649,819	688,510	620,905	67,606	9.8%
Operating Revenue Over/(Under) Exp	(101,646)	(87,796)	(100,778)	(33,399)	67,379	66.9%
Recovery Ratio	85.12%	86.49%	85.36%	94.62%	n/a	n/a
DBC-GF Transfer for Pump Station	-	-	23,500	23,500	-	n/a
DBC Maint.-GF Transfer for Pump Station M&O	-	-	4,000	4,000	-	n/a
KFT-Utility Tax Transfer	113,000	113,000	113,000	113,000	-	n/a
Total Other Sources	113,000	113,000	140,500	140,500	-	n/a
Marketing Study & Implementation	37,118	37,118	-	-	-	n/a
Pump Station M&O	-	-	4,000	540	-	n/a
Repairs & Maintenance	38,618	33,737	137,056	69,194	-	0.0%
Total Other Uses	75,736	70,855	141,056	69,734	-	n/a
Net Income	(64,383)	(45,651)	(101,334)	37,366	67,379	-224.5%
Ending Fund Balance	82,598	101,330	(6)	138,697	67,382	94.5%

Other Departmental Year-to-date Variances

City Council expenditures total \$360K and is below budget by \$19K mainly due to savings in travel/training.

Mayor's Office expenditures total \$990K and is below budget by \$179K mainly due to savings found in public defender and recovery grant not yet spent.

Human Services expenditures total \$758K and is below budget by \$104K mainly due to savings found in salaries/benefits and professional services.

Economic Development expenditures total \$155K and is below budget by \$85K mainly due to one-time program for downtown redevelopment.

Human Resources expenditures total \$666K and is below budget by \$188K mainly due to savings in one-time programs, timing of election services and savings found in professional services.

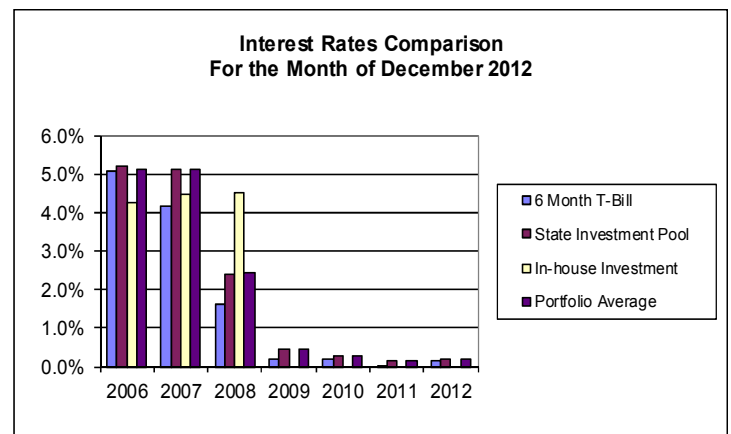
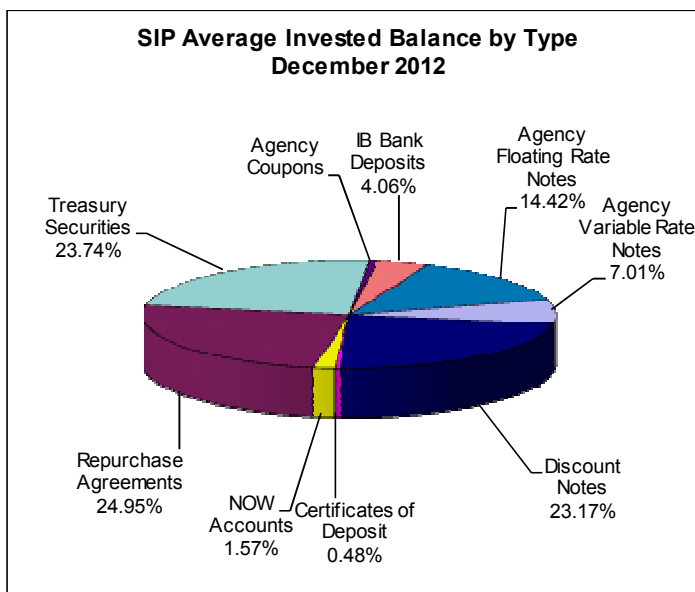
Finance expenditures total \$833K and is below budget by \$63K mainly due to savings found in temporary help and overall salaries/benefits.

Law expenditures total \$1.4M and is below budget by \$262K mainly due to savings found in salary/benefits, temporary help, and unspent one-time monies for outside counsel.

CASH & INVESTMENTS

Currently all excess balances are invested in the State Investment Pool. The portfolio yield is 0.27%, which is above the average 6-month US Treasury Bill (0.11%).

The total invested balance at the end of December is \$66.5M. The state pool is composed of treasury securities (23.74%), interest bearing bank deposits (4.06%), agency securities (0.61%), agency floating rate notes (14.42%), agency variable rate notes (7.01%), discount notes (23.17%), certificates of deposit (0.48%), repurchase agreements (24.95%), and N.O.W accounts (1.57%).



DEBT SERVICE

Under RCW 39.36.020 (2), The City Council may approve bond issues not to exceed 1.5% of the City's assessed valuation. In addition, the public may vote to approve bond issues for general government in an amount not to exceed 2.5% of the value of all taxable property within the City. The City's outstanding total general obligation debt is \$27.62M at December 31, 2012. This leaves the City with a remaining debt capacity without voter approval of \$90.23M and an additional \$77.23M that can be accessed with voter approval. The voter-approved capacity is generally referred to as unlimited tax general obligation debt, which requires 60% voter approval and the election must have a voter turnout of at least 40% of those who voted in the last State general election. With this vote, the voter approves additional property tax can be levied above and beyond the constitutional and statutory caps on property tax.

In addition to these general-purpose debt capacities, RCW 39.36.030(4) also allows voters to approve park facilities and utility bond issues; each limited to 2.5% of the City's assessed valuation. Therefore, legally the City can issue up to a total of 7.5% of the City's assessed valuation in bonds for \$553.61M. The Public Works Trust Fund Loans are the obligation of the Surface Water Utility, backed by the rates collected from users, and are not considered as the City's general obligation debts nor are they subject to the limitation of indebtedness calculation. The tables below show the available debt capacity for the City and schedule of outstanding debt as of December 31, 2012.

Table 1: COMPUTATION OF LIMITATION OF INDEBTEDNESS December 31, 2012							
DESCRIPTION			General Purposes		Excess Levy	Excess Levy	Total
			Councilmanic (Limited GO)	Excess Levy (Unlimited GO)	Open Space and Park	Utility Purposes	Debt Capacity
AV=	\$ 7,722,983,802	(A)					
	1.50%		\$ 115,844,757	\$ (115,844,757)			
	2.50%			193,074,595	193,074,595	193,074,595	\$ 579,223,785
Add:							
	Cash on hand for debt redemption (B)		2,004,488	-	-	-	2,004,488
Less:							
	COPs outstanding		-	-	-	-	-
	Bonds outstanding		(27,616,950)	-	-	-	(27,616,950)
	REMAINING DEBT CAPACITY		\$ 90,232,295	\$ 77,229,838	\$ 193,074,595	\$ 193,074,595	\$ 553,611,323
	GENERAL CAPACITY (C)		\$ 167,462,133				
(A)	Final 2011 Assessed Valuation						
(B)	Debt Service Prefunding						
(C)	Combined total for Councilmanic, and Excess Levy capacities.						

OUTSTANDING GENERAL OBLIGATION DEBT - As of December 31st, 2012										
Description	Purpose	Funding Source	Maturity Date	Interest Rate	Amount Originally Issued	Outstanding Debt as of 1/1/2012	Amount Redeemed	Outstanding Debt as of 12/31/2012	Callable Date	Callable Amount
<i>General Obligation Bonds:</i>										
2003 Limited	Community Center	Utax	1-Dec-33	4.67	15,000,000	12,650,000	(340,000)	12,310,000	1-Dec-13	11,955,000
	Subtotal GO Bonds:				15,000,000	12,650,000	(340,000)	12,310,000		11,955,000
2000 Limited	Valley Comm (911 Dispatch)-Center Bldg & Equipment	REET	1-Dec-15	5.31	2,551,600	848,000	(201,000)	647,000	1-Dec-15	-
2009	SCORE	REET	1-Jan-39	3.00-6.62	14,659,950	14,659,950	-	14,659,950	1-Jan-20	11,769,950
	Subtotal Due to Other Gov't:				17,211,550	15,507,950	(201,000)	15,306,950	n/a	11,769,950
	Total General Obligation Debt				\$ 32,211,550	\$ 28,157,950	\$ (541,000)	\$ 27,616,950	n/a	\$ 23,724,950
<i>Public Works Trust Fund Loan:</i>										
PWTL	SWM CIP-Kitts Corner Project	SWM	1-Jul-14	1.00	1,555,440	258,719	(86,239)	172,479	-	-
PWTL	SWM CIP-SeaTac Mall Detention Proj.	SWM	1-Jul-19	1.00	2,475,000	768,957	(96,120)	672,837	-	-
	Total PWTL				4,030,440	1,027,676	(182,359)	845,317	n/a	-
	Grand Total				\$ 36,241,990	\$ 29,185,626	\$ (723,359)	\$ 28,462,267	n/a	\$ 23,724,950

FUND ACTIVITY SUMMARY

Fund #/Fund Name	Beginning Fund Balance on 1/1/2012	Annual Revenue	Annual Expenditure	Annual Net Income/(loss)	Ending Fund Balance on 12/31/2012
001 101 General/Street Fund:	12,743,853	44,994,825	42,703,879	2,290,946	15,034,800
201 Debt Service Fund:	3,866,183	2,424,494	2,108,332	316,162	4,182,345
<i>Special Revenue Funds:</i>					
102 Arterial Street	469,704	1,546,968	1,937,144	(390,175)	79,529
103 Utility Tax (*)	4,170,863	13,086,582	12,603,760	482,822	4,653,685
106 Solid Waste & Recycling	153,980	427,064	409,042	18,022	172,002
107 Special Contracts/Studies Fund	556,753	480	54,859	(54,379)	502,374
109 Hotel/Motel Lodging Tax	213,483	193,422	304,489	(111,067)	102,416
110 2% for the Arts	293	-	-	-	293
111 Federal Way Community Center	967,945	2,444,039	2,214,485	229,554	1,197,494
112 Traffic Safety Fund	557,077	2,258,176	839,386	1,418,790	1,975,867
119 CDBG	48,711	861,290	869,287	(7,997)	40,714
120 Path & Trails	151,807	169,861	155,000	14,861	166,668
Subtotal Special Revenue Funds:	7,290,616	20,987,883	19,387,452	1,600,431	8,891,047
<i>Capital Project Funds:</i>					
301 Downtown Redevelopment	2,207,052	10,068	52,539	(42,471)	2,164,582
302 Municipal Facilities	1,285,611	1,645	149,401	(147,755)	1,137,856
303 Parks	2,408,883	550,468	699,092	(148,623)	2,260,260
304 Surface Water Management	2,938,982	709,377	1,091,261	(381,884)	2,557,098
306 Transportation	13,809,682	4,676,928	3,330,133	1,346,794	15,156,476
Subtotal Capital Project Funds:	22,650,210	5,948,486	5,322,425	626,061	23,276,271
<i>Enterprise Funds:</i>					
401 Surface Water Management	2,312,896	3,921,797	2,994,655	927,142	3,240,038
402 Dumas Bay Centre Fund	101,331	728,006	690,639	37,366	138,697
Subtotal Enterprise Funds:	2,414,228	4,649,803	3,685,294	964,508	3,378,737
<i>Internal Service Funds</i>					
501 Risk Management	5,431,782	1,236,078	1,109,986	126,092	5,557,874
502 Information Systems	3,417,861	1,760,268	1,560,869	199,399	3,617,260
503 Mail & Duplication	279,073	142,305	135,516	6,790	285,863
504 Fleet & Equipment	5,267,807	2,281,870	1,802,845	479,024	5,746,831
505 Buildings & Furnishings	1,462,490	549,513	434,871	114,642	1,577,132
Subtotal Internal Service Funds:	15,859,013	5,970,034	5,044,087	925,947	16,784,960
Total All Funds:	64,824,104	84,975,525	78,251,470	6,724,055	71,548,160

* Utility Tax ending fund balance of \$4,653,685 includes \$1,080,948 reserved for Prop 1.